



Special Rate Variation

Ku-ring-gai Council



Background

Background & Core Research Objectives

Ku-ring-gai Council has determined a requirement for a special rate variation (SRV) in order to maintain and improve the Municipality's road and bridge infrastructure.

As part of the special rate variation application process, Ku-ring-gai Council conducted a robust community research survey, with the following key objectives:

1. To measure community support for the introduction of a special rate levy
2. To provide an avenue for feedback in order for residents to express their views on the proposed SRV



In order to assess the community's response to the special rate variation, Ku-ring-gai Council commissioned Micromex Research to conduct quantitative research within the LGA.

Specifics of the Survey

- Random telephone survey with n=400 residents aged 18 y/o +
 - The sample was weighted by age to reflect the 2011 ABS Census data
 - A sample size of 400 residents provides a maximum sampling error of approximately +/- 4.9% at 95% confidence
 - Participants were asked some profiling questions, then specific questions relating to the proposed special rate variation
- Fieldwork was conducted between the 22nd – 25th January 2013

The phone survey will provide Ku-ring-gai Council with a robust and statistically valid measure of community response to the proposed SRV program

- The questionnaire, of approximately 10 minutes in duration, was designed to establish current attitudes and explore community response to the proposed resource strategies

Questionnaire Structure

- | | |
|---|---|
| QA. Confirmation that respondent does not work for Council | Q4. Awareness of the existing infrastructure levy component that is included in rates |
| QB. Age bracket | |
| QC. Number of years lived in the area | READ CONCEPT |
| QD. Suburb of residence | Q5. Support for the continuation of the levy |
| Q1. Satisfaction with the quality of infrastructure currently provided by Council | Q6. Importance of Council being allowed to continue this roads levy |
| Q2. Satisfaction with the quality of long term planning for local infrastructure being provided by Council | Q7. Home ownership |
| Q3. Importance of Council implementing programs that will renew local infrastructure and facilities in the Ku-ring-gai Council Area | Q8. Dwelling type |
| | Q9. Gender |

Ratings questions

The Unipolar Scale of 1 to 5 was used in all rating questions, where 1 was the lowest importance, satisfaction or support and 5 the highest importance, satisfaction or support.

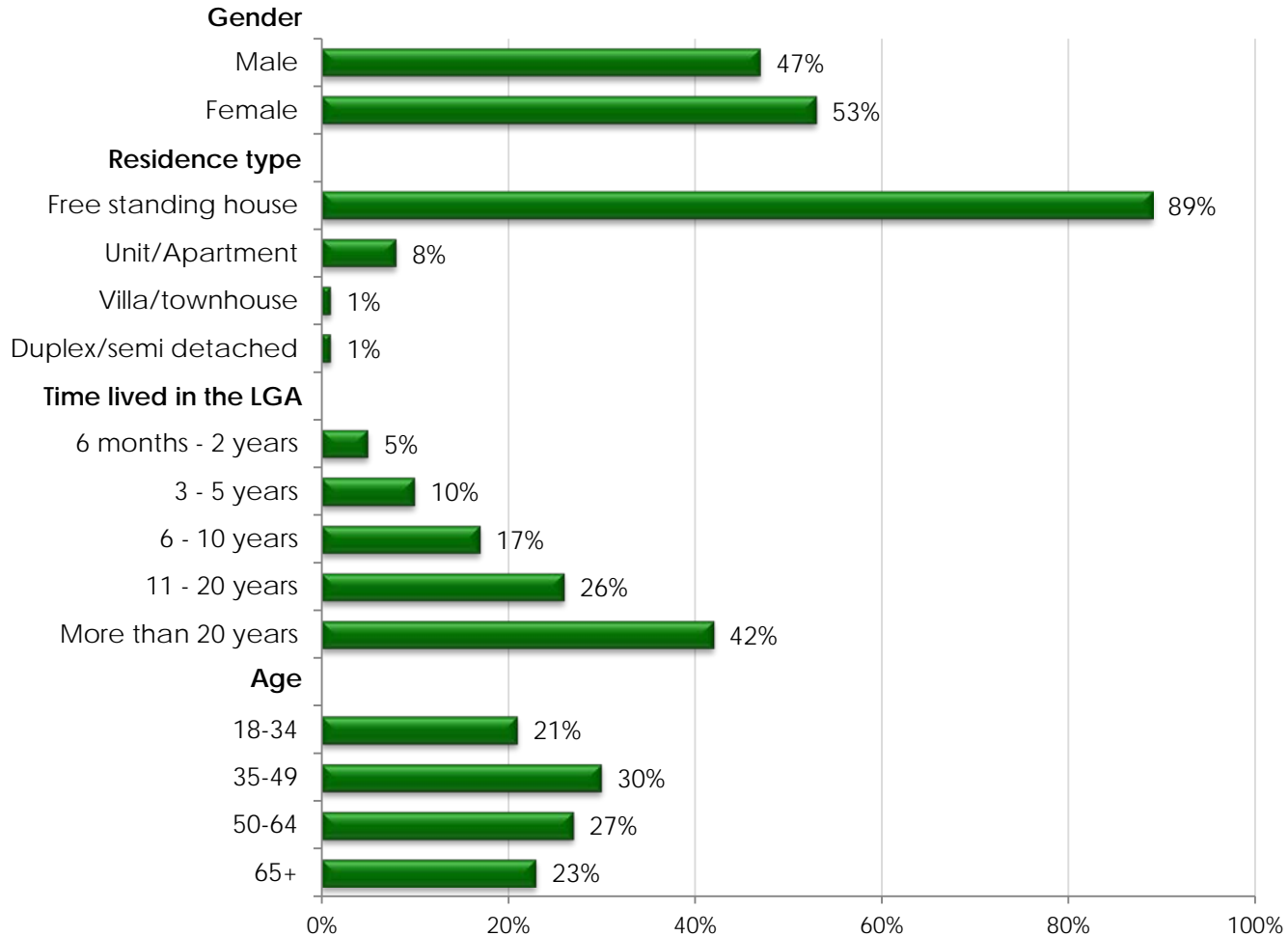
1.99 or lower	'Very low' level of importance/satisfaction/support
2.00 – 2.49	'Low' level of importance/satisfaction/support
2.50 – 2.99	'Moderately low' levels of importance/satisfaction/support
3.00 – 3.59	'Moderate' level of importance/satisfaction/support
3.60 – 3.89	'Moderately high' level of importance/satisfaction/support
3.90 – 4.19	'High' level of importance/satisfaction/support
4.20 – 4.49	'Very high' level of importance/satisfaction/support
4.50 +	'Extreme' level of importance/satisfaction/support



Profile of Sample



Sample Profile – The Sample Accurately Reflects The Demographics Of The Ku-ring-gai Council LGA



Base: n = 400



Key Findings

A significant number of residents are in favour of continuing Council's special rate levy:

- ⇒ 88% of residents are at least 'somewhat supportive' of Ku-ring-gai Council continuing the special rate variation to fund the described delivery program

Importance of the SRV

- ⇒ 92% of residents indicated that it is at least 'somewhat important' that Council be allowed to continue the roads levy

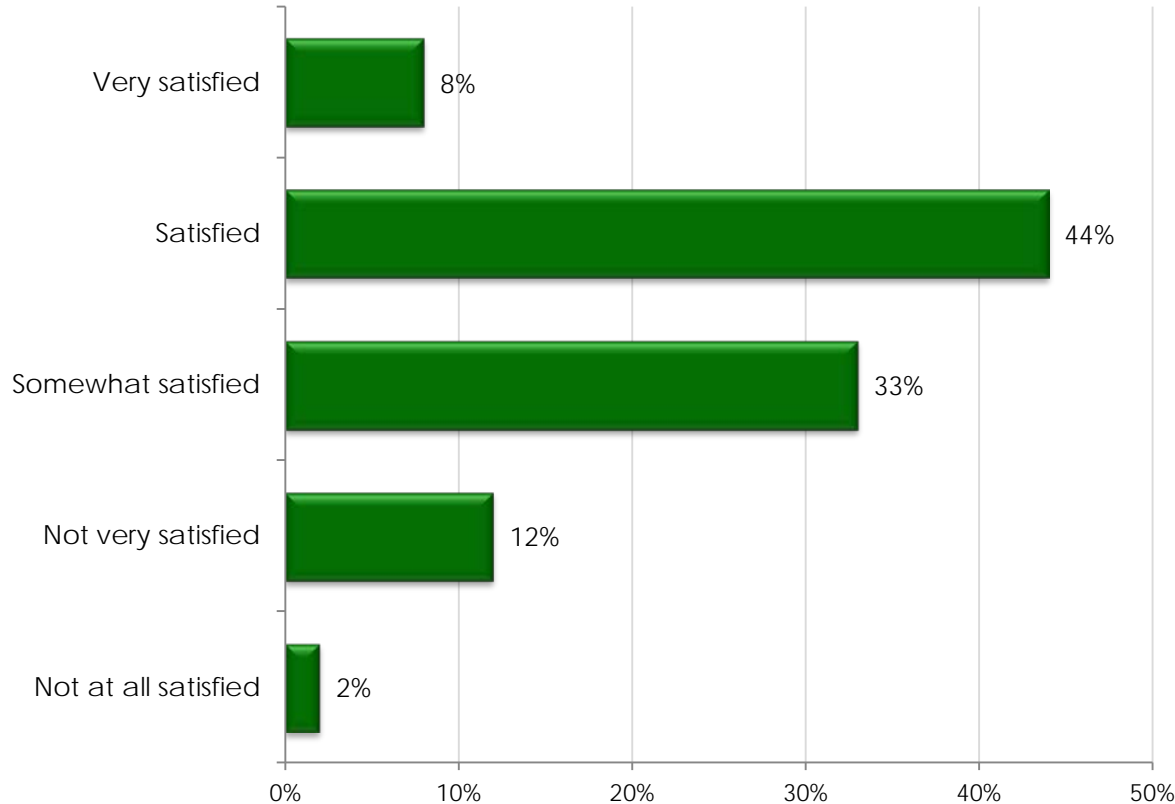


The Detailed Response

Residents Are 'Moderately Satisfied' With The Quality Of Infrastructure Currently Provided By Council

Q. How satisfied are you with the quality of infrastructure and facilities currently provided by Council?

Mean rating - 3.44



- Non ratepayers were significantly more satisfied than were ratepayers
- Residents aged 18-34 were significantly more satisfied than were those aged 65+

Base: n = 400

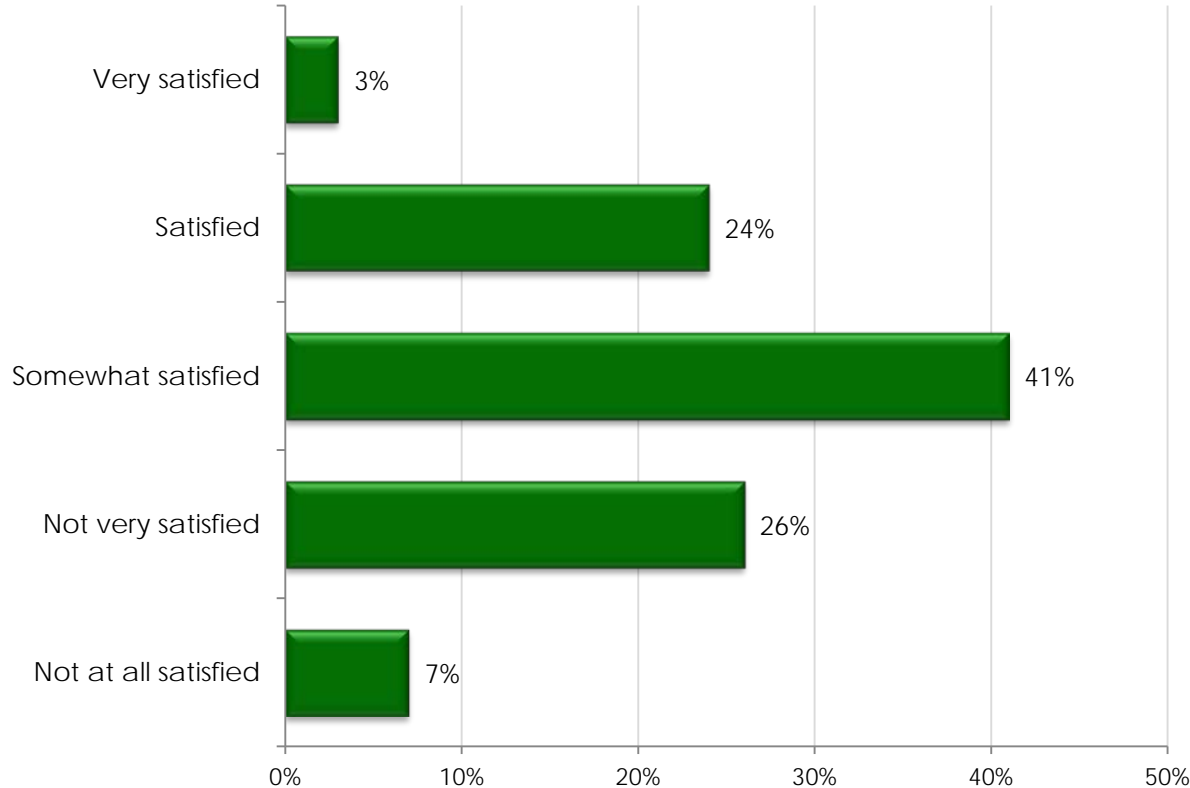
Mean ratings: 1=not at all satisfied, 5=very satisfied

The current level of satisfaction indicates that residents want Ku-ring-gai Council to provide better quality infrastructure in the local area

68% Of Residents Are At Least 'Somewhat' Satisfied With Council's Long Term Planning For Local Infrastructure

Q. How satisfied are you with the quality of long term planning for local infrastructure being provided by Council?

Mean rating - 2.90



- Non ratepayers were significantly more satisfied than were ratepayers
- Residents aged 18-34 were significantly more satisfied than were those aged 50+

Base: n = 400

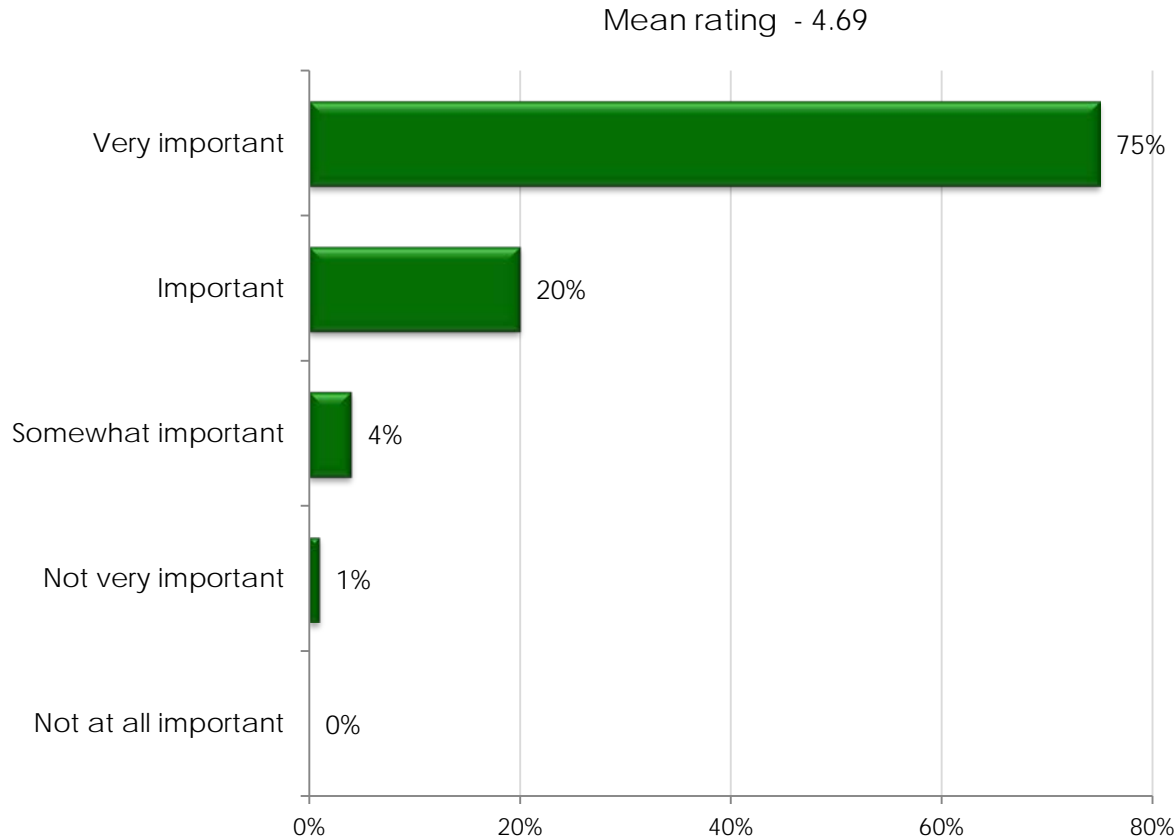
Mean ratings: 1=not at all satisfied, 5=very satisfied

This result indicates that residents want Council to provide more quality infrastructure in the long term



99% Of Residents Believe It Is Important To Implement Plans And Programs To Renew Infrastructure

Q. How important do you believe it is for Council to implement plans and programs that will renew local infrastructure and facilities in the Ku-ring-gai Council area?



- Residents aged 35-49 are significantly more satisfied with the level of service provided by Council than are those aged 65+

Base: n = 400

Mean ratings: 1=not at all important, 5=very important

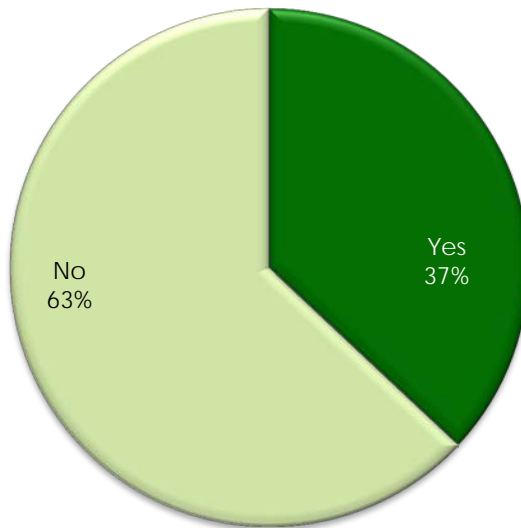
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research

There is no doubt that the community strongly feels that Council needs to implement programs to provide better infrastructure and services

There Was Only Moderate Awareness Of The Existing Levy, With Just Over 1/3 Being Aware Of Its Inclusion In The Rates

Q. Are you aware of the existing infrastructure levy component that is included in your rates?



- Ratepayers were significantly more aware than were non ratepayers
- Residents aged 35+ were significantly more aware than were those aged 18-34

Base: n = 400



Response to the SRV Concept



SRV Concept Statement

Ku-ring-gai Council is seeking your support for an application it is making to the State Government. The application is for a 5 year continuation of the existing Infrastructure Levy.

The Infrastructure Levy has been in place since 2001. If continued it will equate to approximately \$64 per annum for the average rate-paying household.

Ku-ring-gai Council have recently reported over \$80M in backlog funding required for road improvements. The Infrastructure Levy funds renewals for council roads contributing \$2.7M to our roads programs each year. The levy was started to fund these much needed improvements and boost the total roads program. It was implemented as road improvements are a high priority of residents.

If Council's application is successful, an additional \$2.7M will be invested in council roads each year. You will see no change to your rate levels, above that of the nominal rate increase linked to the CPI which is at 3.4%.

If the community does not wish to continue the levy, your rates will be reduced by approximately \$64 per annum and there will be \$2.7M less invested into improving council roads.

Pensioners and households facing hardship are exempt from the paying the Infrastructure Levy.

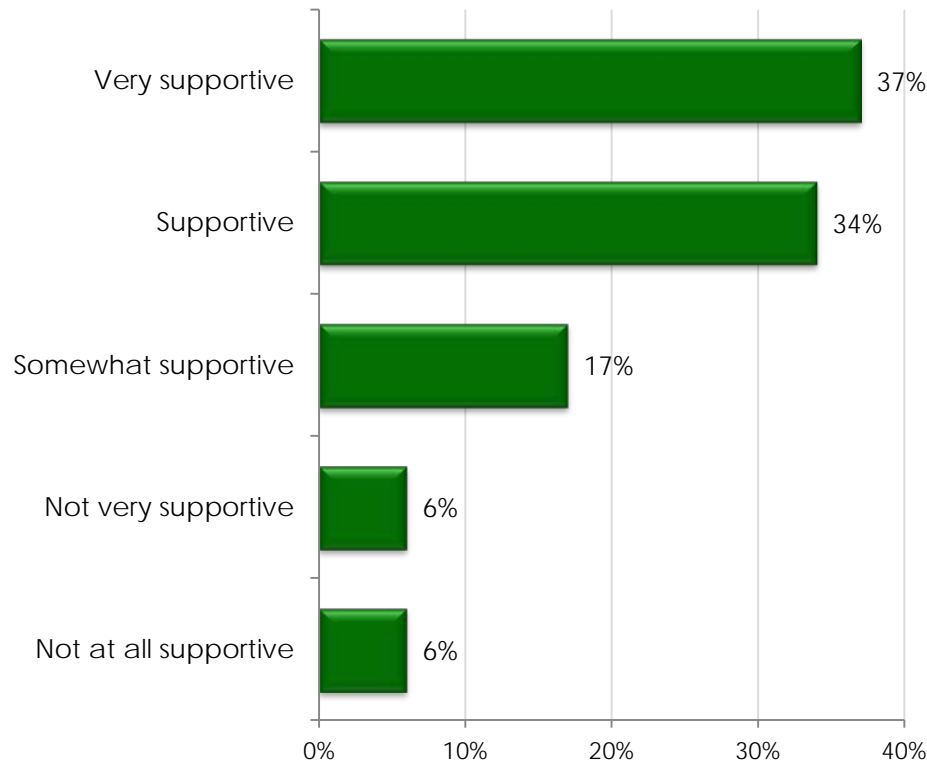
Residents were given the opportunity to have the statement read multiple times to ensure they felt comfortable that they understood the SRV concept



Overall, 88% Of Residents Are At Least 'Somewhat Supportive' Of The Levy Continuation

- Q. How supportive are you of Council continuing this levy?
Q. Why do you say that?

Mean rating - 3.91



Key reasons for level of support

Somewhat supportive to very supportive: Nett 88%

- Improvements in infrastructure are vital 45%
- Continuation of the levy is required for improvements to continue 24%

Not very to not at all supportive: Nett 12%

- Council has not allocated its funding appropriately in the past 10%

Base: n = 400

Mean ratings: 1=not at all supportive, 5=very supportive

12% were 'not very' to 'not at all' supportive of the proposed SRV delivery program, primarily due to the perceived inefficiency of Council – No palpable evidence of affordability concerns

Verbatim Responses

- Q. How supportive are you of Council continuing this levy?
Q. Why do you say that?

Somewhat to very supportive verbatim responses

"Adequate funding is required to maintain and upgrade the local roads, therefore we need to continue to pay this levy"

"Everything costs money to be improved and as long as money isn't wasted, this is a good investment of rates"

"Happy to continue paying the levy in order to see the roads in the area improved"

"There is no problem with the levy continuing, as it is not a large amount to pay for ongoing maintenance of our roads"

"I am not wholly supportive as I feel there are many areas this money could be spent on, rather than only on roads"

"Important for the residents that this work is continued and that roads and pathways are improved"

"I think we gain more by paying a small amount per year"

"I believe with more people coming to the area then the infrastructure does need to be improved"

"I wasn't aware I was even paying it so won't miss it"

"Great believer in good infrastructure for the community and I don't mind paying extra to ensure these things are invested in"

"We need to contribute towards sustaining our community and area"

Not very to not at all supportive verbatim responses

"I haven't seen any improvements occurring to the local roads and any complaints I have made regarding the nonexistent footpath on our street have gone unanswered"

"I think the current rates are high enough"

"I believe Council wastes and misallocates funds for example the drainage for the main oval at Bicentennial Park was a complete waste of funds and ratepayers were not asked for their opinions "

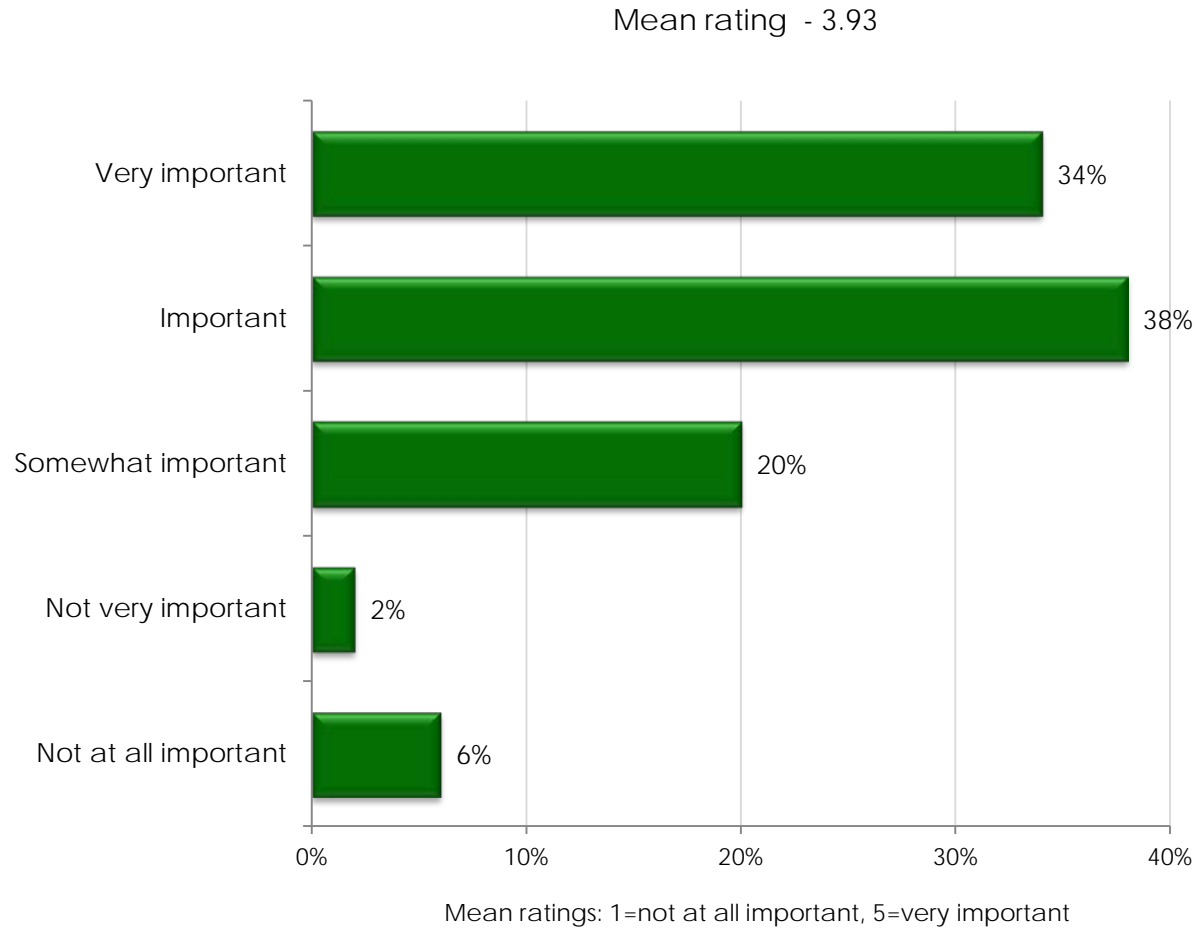
"I don't mind giving extra money if spent wisely but there's no evidence in the shire, a continuation of poor use of funds is extraordinary"

"We have paid this levy for years and have yet to see any improvements made in my immediate area"



92% Of Residents Believe It Is 'Somewhat' To 'Very' Important That Council Continues The Levy

Q. How important do you believe it is for Ku-ring-gai that Council is allowed to continue this roads levy?



Base: n = 400

Only 6% of residents feel that Council's continuation of the levy
'not at all important'



Summary

1. A significant proportion of residents support Council's application
 - ⇒ 88% of residents are at least 'somewhat supportive' of Ku-ring-gai Council continuing the special rate variation to fund the described delivery program
2. A very high percentage of residents believe that the continuation of a special rate variation is important
 - ⇒ 92% of residents indicated that it is at least 'somewhat important' that Council be allowed to continue the roads levy



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